

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

Case No. 21-cv-12236  
Hon. Matthew F. Leitman

BIOGENIC, INC., *et al.*,

Defendants.

---

**ORDER GRANTING MOTION TO INTERVENE**  
**AND TO STAY DISCOVERY (ECF No. 24)**

In this civil action, the Securities and Exchange Commission (“SEC”) brings claims against Defendants Susann Ashley Cargnino, Zachari Alan Cargnino, Julie Ann Youssef, and Gary Youssef (“the Individual Defendants”), as well as against several corporate entities allegedly owned and/or controlled by the Individual Defendants. The SEC alleges that the Defendants participated in a sprawling investment fraud scheme involving a variety of medical testing devices, and ultimately defrauded over 55 investors out of nearly \$7 million. (*See* Compl., ECF No. 1, PageID.1-2.)

On March 10, 2023, the United States of America, through the United States Attorney’s Office for the Central District of California, filed a Motion to Intervene and to Stay Discovery in this civil action. (*See* Mot., ECF No. 24.) In that motion,

the United States explains that the Federal Bureau of Investigation and the United States Attorney's Office for the Central District of California are currently conducting a joint criminal investigation into the alleged conduct at the heart of this civil action. (*See id.*, PageID.190.) The United States asks to intervene in this case and requests that the Court stay discovery pending the outcome of the criminal investigation. The SEC has taken no position on the United States' motion, while two of the Individual Defendants (Zachary Alan Cargnino and Susann Ashley Cargnino) and the Defendant companies have joined/concurred in the motion. (*See* Notice of Joinder/Concurrence, ECF No. 25.)

For the reasons explained in the United States' motion, and because the parties have either joined the motion or failed to voice any opposition to it, the United States' Motion to Intervene and to Stay Discovery (ECF No. 24) is **GRANTED**. Discovery in this action is **STAYED** pending the completion of the related criminal investigation. The United States shall notify the Court in writing – by filing a notice on the Court's docket – once the criminal investigation concludes.

**IT IS SO ORDERED.**

s/Matthew F. Leitman  
MATTHEW F. LEITMAN  
UNITED STATES DISTRICT JUDGE

Dated: April 25, 2023

I hereby certify that a copy of the foregoing document was served upon the parties and/or counsel of record on April 25, 2023, by electronic means and/or ordinary mail.

s/Holly A. Ryan

Case Manager

(313) 234-5126